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TRAFFICKING RISES IN STOLEN U.S. ARMS

The following article is based on reporting by Joel Brinkley and Jeff Gerth and was written by Mr. Brinkley.

Special to The New York Times

WASHINGTON, Sept. 28 — Tens of millions of dollars worth of advanced, American-made weapons intended for military use are showing up on the black market, according to officials from the Defense Department, other Federal agencies and members of Congress.

The weapons often become available for sale to hostile governments or terrorists, the officials say, potentially contributing to the very problem of terrorism that the Government is trying to fight.

Numerous officials said the principal source for the black market weapons was theft from United States military bases, ships and warehouses. Among the stolen weapons officials say have been found on the black market are land mines, plastic explosives, missiles, bazookas, grenade launchers and artillery.

The military sorts and stores so much weaponry that the Pentagon says it loses or misplaces more than $1 billion of it each year. Its stockpile of weapons, equipment and spare parts is valued at more than $80 billion.

Federal officials say it is impossible to know how much of the missing weaponry is stolen, although they contend that much and perhaps most of the weaponry has simply been misplaced due to poor record keeping.

When military thieves are discovered, it is often after they have been stealing for years, and in many cases it is the civilian authorities, not the military, who catch them as they try to sell the weapons on the black market.

Pentagon officials acknowledge the problem but say their record-keeping and security have improved since two years ago, when the General Accounting Office concluded, "The magnitude of the inventory accuracy problem is much greater than has previously been recognized by the Department of Defense."

"We're keenly aware of the problem and looking at everything we can do to try and fix it," said James Reay, the Pentagon's deputy director for supply policy and programs.

Derek J. Vander Schaaf, the Defense Department's deputy inspector general, said: "The problem is pretty widespread. It leads us to believe there are a lot of holes in the supply system we need to plug up."

William Sharkey, principal director for Pentagon logistics and matériel management, said, "Being worried about internal theft of arms-type items is a fairly new one for us."

Weapons Stolen From Fort Bragg

Federal officials cite a number of recent cases that illustrate how weapons move to the black market.

In one case, the Justice Department is investigating more than 20 people suspected of helping arms traffickers steal several tons of weapons, including grenades, land mines, plastic explosives and artillery, from Fort Bragg, N.C., over the last few years, according to records from Federal District Court in Miami.

In trial testimony, one of two members of the Army's Special Forces who were convicted in the case said he had acquired some of the weapons by simply checking them out for training, and Fort Bragg officials said they were unaware of the scheme until the civilian authorities alerted them last year.

In California, Federal officials say Navy employees and others stole several hundred million dollars worth of weapons and related equipment, including parts for Phoenix missiles and F-14 fighter planes, from Navy warehouses in San Diego and from the aircraft carrier Kitty Hawk over the last five years. Some of it was sold to Iran, and seven people have been charged in the case, 20 more are under investigation and more indictments are expected soon, the Federal authorities say.

Shopping List of Weapons

On the East Coast, a four-page shopping list of complex weapons, including hundreds of the world's most advanced non-nuclear missiles, military helicopters and antiaircraft cannons, is circulating among black-market arms traffickers. The list was provided by an arms trafficker, and, although Federal officials do not know for sure, the presumption is that at least some of the weaponry is available for black market sale.

In the last two years, the United States Customs Service has arrested an increasing number of people who were trying to sell missiles, weapon parts, military aircraft and other "serious, stand-alone weapons systems" to Libya, Iran and other customers, Commissioner William von Raab of the Customs Service said. Federal courts have handed down indictments in at least 26 such cases since the beginning of 1984.

As to the reason for the increase, he said: "As weapons systems have become more sophisticated, they become more portable. So they are much more desirable now."

Mr. von Raab said Iran had probably used some smuggled American military hardware in its war against Iraq. But he and others said they did not know of specific instances when terrorists might have used stolen or illegally diverted American military weapons.

Pentagon Officials Not Informed

Pentagon security officials, who by law are supposed to be told of thefts so they can correct security problems, say that in many cases, when thieves are caught they do not learn of the incidents until they hear about them through the press.

When he heard of the Fort Bragg case this week, L. Britt Snider, the Pentagon's director for counterintelligence and security policy, said, "It sounds like a significant incident, but we were not aware of it." He added that "it was not reported to us" even though Pentagon regulations require reporting of incidents like that one.

Referring to several recent cases of theft of weapons from the military, Representative Charles E. Bennett, Democrat of Florida, said, "I don't understand how the military can be so sloppy."

Mr. Bennett is chairman of the Seapower and Strategic and Critical Materials Subcommittee of the House Armed Services Committee, which is holding hearings next week on security problems at Naval supply centers.

Asked about the thefts, Pentagon officials say they can make military supply warehouses only so secure if they want the weapons readily available for use in battle.

'We Were Too Loose'

"I think we were too loose," John F. Lehman Jr., Secretary of the Navy, said, referring to some of the recent thefts of Navy materials. "We'd gone too far in chasing the God of readiness. But that's what the country wanted, that's what the Congress wanted and that's what the press wanted."

But Mr. Lehman and other military officials also say that, with billions of dollars of weapons on hand, it is inevitable that some will be stolen.

Phillip L. Halpern, the assistant United States attorney in San Diego who is prosecuting the smuggling case involving the aircraft carrier Kitty Hawk, said: "When you're talking about stealing large amounts, it's not shocking that people can steal it, but that it goes unnoticed. It raises the question: Who's in control of inventory?"

From the Pentagon's perspective, the Kitty Hawk has one of the Navy's best managed supply systems. Last year the ship won an award for the most efficient supply system among all Navy ships of her type. And since then the Navy has reviewed the award and found that the Kitty Hawk's efficiency was even higher, Mr. Reay said, adding that the Pentagon's estimate of the theft losses was lower than the estimates of Federal prosecutors.

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Room Full of Weapons

Other military weapon depots have been robbed, too. Federal agents arrested a security guard this summer at the Army's ammunition plant in Lake City, Mo., and charged him with unlawful possession of silencers, machine guns and other stolen arms.

The Government has asserted in court records that the guard, Louis George Jr., stole many thousands of rounds of ammunition. When he was arrested the Government said he had several rooms full of stolen weapons, including about 30 Claymore mines, as well as antitank bazookas, grenades and grenade launchers, among other weapons.

In the Fort Bragg case, Sgt. Keith Anderson, one of the men who was convicted and sentenced to prison this month, said he signed out C-4 explosives, the most powerful plastic explosive available, from a Fort Bragg supply depot, saying they would be used in training. Under military supply procedures, to demonstrate that the explosives had been used, he had only to return the empty box.

It turned out, however, that he and another soldier tried to sell the explosives and tons of other stolen weapons to an undercover agent for the Federal Bureau of Alcohol, Tobacco and Firearms, court testimony showed.

No Changes in Security

Still, Maj. Thomas F. Hogan 3d, a Fort Bragg spokesman said, "There have been no changes in security procedures here as a result of the case." The reason, he said, is that "it has never been positively established that the materials did in fact come from Fort Bragg."

Chris Mancini, an assistant United States attorney in Miami who prosecuted the case, said Fort Bragg officials were prepared to testify at the trial that weapons seized from the defendants had come from the Army base. Their testimony was not needed because both the defendants and the Government stipulated in court that all the weapons, explosives and ammunition recovered had in fact been taken from Fort Bragg.

But Major Hogan said, "We have gotten no paperwork suggesting that," adding, "Our security system is more than adequate."

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